The Honorable Pete Domenici  
Chairman  
Committee on Energy and Natural Resources  
United States Senate  
364 Dirksen Senate Office Building  
Washington, D.C. 20510  

Dear Senator Domenici:

Support for Reliability Language

As we approach the second anniversary of the largest blackout in the nation’s history, we are writing to reaffirm our continuing support for the reliability language contained in the electricity title of the Senate energy bill.

The U.S.-Canada Power System Outage Task Force that investigated the August 2003 outage concluded that the “single most important step” for maintaining a high level of reliability is for Congress to enact the reliability provisions contained in the energy bill. The reliability language builds on the existing voluntary reliability system by authorizing the creation of an independent, industry-based electric reliability organization (ERO) to set and enforce mandatory reliability rules applicable to all users, owners, and operators of the North American bulk power grid, subject to Federal Energy Regulatory Commission (FERC) oversight in the United States. The legislation envisions reliability enforcement activities being carried out by regional entities under delegation agreements from the ERO, again with FERC oversight in the United States. It also recognizes the international nature of our bulk power grid, which requires setting and enforcing compliance with reliability standards on a North American basis.

The reliability legislation is carefully crafted to bring the expertise of the industry to bear in the formulation, implementation, and ultimately enforcement of reliability rules for the North American bulk power system. We particularly commend the Senate Energy Committee for approving reliability legislation that does not restrict the ability of the ERO and regional entities to collect the funds they need to carry out their reliability responsibilities.

We applaud you for your steadfast commitment to the passage of legislation to improve and support the reliability of our electricity grid.

Sincerely,

Michehl R. Gent
President and CEO

cc: Honorable Jeff Bingaman